



BUREAU OF CONSUMER FINANCIAL PROTECTION

[Docket No.: CFPB-2022-0002]

Notice and Request for Comment Regarding the CFPB's Inquiry into Buy-Now-Pay-Later (BNPL) Providers

AGENCY: Bureau of Consumer Financial Protection.

ACTION: Notice; request for comment.

SUMMARY: On December 16, 2021, the Consumer Financial Protection Bureau (Bureau) opened market monitoring orders, inquiring into Buy-Now-Pay-Later (BNPL) products in the United States to gain information about the size, scope, and business practices of the BNPL market. The information will help the Bureau better understand how consumers interact with BNPL providers, and how BNPL business models impact the broader e-commerce and consumer credit marketplaces. The Bureau also issued a press release to accompany these orders. The Bureau invites any interested parties, including consumers, small businesses, consumer advocates, financial institutions, trade associations, investors, state and Federal regulators and Attorneys General, and experts in consumer lending, payments, and marketing to submit comments to inform the agency's inquiry.

DATES: Comments must be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: You may submit comments, identified by Docket No.: CFPB-2022-0002, by any of the following methods:

- *Federal eRulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments.
- *Email:* BNPLInquiry@cfpb.gov. Include Docket No.: CFPB-2022-0002 in the subject line of the message.

- *Mail/Hand Delivery/Courier:* Comment Intake—Statement into BNPL Providers, Bureau of Consumer Financial Protection, 1700 G Street NW, Washington, DC 20552.

Please note that due to circumstances associated with the COVID-19 pandemic, the Bureau discourages the submission of comments by hand delivery, mail, or courier.

Instructions: The Bureau encourages the early submission of comments. All submissions should include document title and docket number. Because paper mail in the Washington, DC area and at the Bureau is subject to delay, commenters are encouraged to submit comments electronically. In general, all comments received will be posted without change to <https://www.regulations.gov>. In addition, once the Bureau's headquarters reopens, comments will be available for public inspection and copying at 1700 G Street NW, Washington, DC 20552, on official business days between the hours of 10 a.m. and 5 p.m. Eastern Time. At that time, you can make an appointment to inspect the documents by telephoning 202-435-7275.

All comments, including attachments and other supporting materials, will become part of the public record and subject to public disclosure. Proprietary information or sensitive personal information, such as account numbers or Social Security numbers, or names of other individuals, should not be included. Comments will not be edited to remove any identifying or contact information. This docket is not for submitting other information to the Bureau, such as consumer complaints on a particular company. If you would like to submit a complaint, please visit [consumerfinance.gov](https://www.consumerfinance.gov/complaint/) (<https://www.consumerfinance.gov/complaint/>).

FOR FURTHER INFORMATION CONTACT: Laura Udis, Program Manager, Small Dollar, Marketplace, and Installment Lending, 202-435-9158. If you require this document in an alternative electronic format, please contact CFPB_Accessibility@cfpb.gov.

SUPPLEMENTARY INFORMATION:

I. Background

In the December 16, 2021, market monitoring orders and accompanying press release, the Bureau required five providers of Buy-Now-Pay-Later (BNPL) products in the United States to

provide information about their size, scope, and business practices.¹ The Bureau listed six areas of specific interest:

- Business Model and Transaction Metrics
- Loan Performance Metrics
- Consumer Protections
- User Contacts and Demographics
- Data Harvesting
- Data Monetization

The Bureau invites any interested parties to submit comments to inform the agency's inquiry.

II. Public Comment

The Bureau encourages comments about BNPL products. For example: what is the consumer experience with BNPL products? What are the benefits and risks to consumers from BNPL products? What is the merchant experience with BNPL products? What perspectives do regulators and Attorneys General have with respect to BNPL products? Are there ways in which the BNPL market can be improved?

The Bureau is opening a docket on Regulations.gov and invites any interested parties to submit relevant comments to inform the agency's inquiry.

Rohit Chopra,

Director, Bureau of Consumer Financial Protection.

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¹ The press release and sample order can be found at <https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-opens-inquiry-into-buy-now-pay-later-credit/>